



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

MAY 21 2009

REPLY TO THE ATTENTION OF: R-19J

Dona Bergman, Director  
Environmental Protection Agency  
City of Evansville  
C.K. Newsome Building  
100 E. Walnut Street  
Suite 100  
Evansville, Indiana 47713

Dorreen Carey, Director  
Environmental Affairs  
City of Gary  
839 Broadway N206  
Gary, Indiana 46402

Ronald Novak, Director  
Department of Environmental Management  
City of Hammond  
5925 Calumet Avenue  
Hammond, Indiana 46320

Dear Directors Bergman, Carey and Novak:

I want to thank you for meeting with the U.S. Environmental Protection Agency, Region 5, on March 18, 2009, to discuss the recent changes at the Indiana Department of Environmental Management (IDEM). Enclosed please find our follow-up letter to IDEM on these changes, which included shifting to an in-program enforcement model, terminating local air agency contracts, and updating IDEM's Compliance and Enforcement Response Policy. Among other things, it says that we will continue to monitor how the State implements its programs in light of the changes.

EPA has had a long and productive relationship with many of the local air agencies. We appreciate the work done by local air agencies and value your input and information. As discussed in our meeting, and noted in our letter to IDEM, we are confirming our commitment to continue to receive and investigate information provided by the local air agencies with regard to compliance concerns at facilities.

Please do not hesitate to call me, at (312) 886-3000, if you have any questions or concerns, or to contact Brent Marable, at (312) 886-6812, with compliance information.

Sincerely,

A handwritten signature in black ink, appearing to read 'B Mathur', with a long horizontal stroke extending to the right.

**Bharat Mathur**  
**Acting Regional Administrator**

Enclosure



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MAY 21 2009

REPLY TO THE ATTENTION OF:

R-19J

David Maidenberg, Director  
Hoosier Chapter Sierra Club  
1915 W. 18<sup>th</sup> Street, Suite D  
Indianapolis, Indiana 46202

Jesse Kharbanda, Executive Director  
Hoosier Environmental Council  
3951 N. Meridian, # 100  
Indianapolis, Indiana 46208

Tom Anderson, Executive Director  
Save the Dunes Council  
444 Barker Road  
Michigan City, Indiana 46360

Kim Ferraro, Executive Director  
Legal Environmental Aid Foundation  
150 Lincolnway, Suite 3002  
Valparaiso, Indiana 46383

Janet McCabe, Executive Director  
Improving Kids Environment  
3951 N. Meridian St. Ste 160  
Indianapolis, Indiana 46208

Dear Sirs and Madams:

Thank you for meeting with representatives of the U.S. Environmental Protection Agency on March 20, 2009, to discuss the recent changes at the Indiana Department of Environmental Management (IDEM). Enclosed please find our follow-up letter to IDEM on these changes, which included shifting to an in-program enforcement model, terminating local air agency contracts, and updating IDEM's Compliance and Enforcement Response Policy. Among other things, it says that we will continue to monitor how the State implements its programs in light of the changes and mentions that we are willing to continue to meet with the environmental organizations to discuss our state program reviews. As documented in the letter, we have also discussed with IDEM the transparency concerns you raised and have offered to assist in overcoming these barriers.

We value your input and the information you provided. We have responded to your April 3, 2009 request for information, by correspondence dated May 8, 2009, and would be happy to discuss the information we provided in that response. We also appreciate your interest in working together to address environmental and health challenges where the needs are greatest in Indiana. I encourage you to contact Alan Walts, Region 5's Acting Director for the Office of Enforcement and Compliance Assurance, to discuss any opportunities for collaborative problem-solving that you may be considering.

Please do not hesitate to call me at (312) 886-3000 if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'B Mathur', with a long horizontal stroke extending to the right.

Bharat Mathur  
Acting Regional Administrator

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**MAY 21 2009**

REPLY TO THE ATTENTION OF:

R-19J

Thomas W. Easterly, P.E., DEE, QEP  
Commissioner  
Indiana Department of Environmental Management  
100 N. Senate Avenue  
Mail Code 50-01  
Indianapolis, IN 46204-2251

Dear Mr. Easterly:

Thank you for meeting with Region 5 managers on February 19, 2009, to discuss the recent changes at the Indiana Department of Environmental Management (IDEM) and to provide further information. These changes included shifting to an in-program enforcement model, terminating local air agency contracts, and updating IDEM's Compliance and Enforcement Response Policy (CERP).

We appreciate the changes you made to the CERP after our meeting, and your expressed intent that by dropping the qualification "actual," the term "threat" at 6.2.1.1. includes potential as well as actual threats. We also appreciate the continued commitment to meet or exceed EPA's requirements for air programs, as expressed in Daniel Murray's January 13, 2009 letter and your stated commitment that IDEM will continue to meet all its federal commitments for enforcement programs. We recognize that it is IDEM that administers its programs, and that it is to be afforded flexibility in issues like organizational structure and contracting decisions.

We also wanted to let you know about our discussions with local air agencies and with environmental organizations. On March 18, 2009, we met with representatives of the Gary Department of Environmental Affairs, the Evansville Environmental Protection Agency and the Hammond Department of Environmental Management. We described our limited ability to respond to many of their questions regarding direct EPA funding. We also noted that EPA would continue to investigate information submitted by local air agencies that continue to monitor compliance in their jurisdictions. We recognize the contribution the local agencies have made to clean air programs in Indiana, and appreciate IDEM's commitment to maintain air quality protection for Indiana citizens.

On March 20, 2009, we met with representatives of the Hoosier Environmental Council, Improving Kids Environment, Legal Environmental Aid Foundation, the Hoosier Chapter of the Sierra Club, and Save the Dunes. We indicated our willingness to continue to meet with the environmental organizations to discuss our state program reviews, and to share the results of these reviews (including through response to an April 3, 2009 FOIA request).

In both meetings, we committed that in the course of our oversight of State environmental programs, including through the State Review Framework, we will monitor, among other things, how the State implements its federally delegated, authorized and/or approved environmental programs in light of the changes you are implementing. EPA will ensure that the State continues to meet its obligations under the requirements and agreements for those federal programs.

While you have adequately addressed our concerns on the three changes, we do want to highlight concerns regarding intent and transparency raised a number of times by the Indiana stakeholders with whom we met. For example, the local air agencies questioned the lack of notice of contract termination; the environmental groups sought, in general, better notice and input on regulations that sunset, policies and permits. As we have discussed, it is important to implement our programs in a transparent manner, seeking feedback and input from all relevant stakeholders. It is our expectation that you will implement the necessary steps to overcome these perceptions and ensure a high level of communication and openness in the State's programs. If there are ways we can assist in that process, please let us know.

Consistent with Agency practice, copies of this letter will be transmitted to the stakeholders with whom we have met. Please do not hesitate to call me at (312) 886-3000 if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bharat Mathur', with a stylized flourish extending to the right.

Bharat Mathur  
Acting Regional Administrator